

**Illinois Commerce Commission**  
**Pipeline Safety**  
**Pipeline Safety Report**

<b>Operator: NORTH SHORE GAS CO</b>	<b>Operator ID#: 13660</b>
<b>Exit Meeting Contact: Mark Kinzle</b>	<b>Total Man Days: 4</b>
<b>Pipeline Safety Representative(s): Matt Smith</b>	
<b>Company Representative to Receive Report: Tom Webb</b>	<b>Emailed Date:</b>
<b>Company Representative's Email Address: TJWebb@peoplesgasdelivery.com</b>	08/19/2014

**Inspection Summary**

<b>Inspection Type</b>	<b>Location</b>	<b>ICC Analyst</b>	<b>Inspection Unit(s)</b>	<b>Man Day(s)</b>	<b>Inspection Date(s)</b>	<b>Contact(s)</b>
Distribution Integrity Management Plan Review	Waukegan	Matt Smith	Waukegan	4	8/12/2014, 8/13/2014, 8/14/2014, 8/15/2014	Glannie Chan, Harsh Mehta, Mark Kinzle, Steve Lipka

**Statement of Activities**

On August 12-15, 2014, a Distribution Integrity Management Program ("DIMP") audit was conducted of the North Shore Gas Company's DIMP plan. The audit was conducted to determine compliance with applicable IL Adm. Codes and the Code of Federal Regulations adopted via IL Adm. Part 590. The audit included a review of company documents regarding the specific code sections as identified on the attached inspection form.

While reviewing the SHRIMP plan, Staff discovered the data sources used did not indicate the form, record or document used to populate the results. Instead, the data source indicated the individual who provided the document. Staff is requesting a review of all data sources to capture the correct document name. This information must be transferred to the SHRIMP plan.

Staff recommends that North Shore Gas amend the DIMP procedure Section 7.2 to better detail the transfer of newly identified or potential threats from the various outside organizations to the DIMP Engineer.

Staff is requesting to begin linking each Additional Action ("AA") used for each threat. The current system contains all AA's in one document. This list of AA's is broken down by threat and sub threat. When referencing a single threat and comparing to the AA list, it becomes difficult to determine which AA may apply.

Staff requests North Shore Gas to justify the 5 year time frame for reevaluation due to the complexity of the system. 192.1007 (f) does allow for a re-evaluation of no more than once every five years depending on the complexity of the system, but Staff is concerned that North Shore Gas' system is complex enough to warrant more frequent reviews.

**INSPECTION FINDINGS**

**Distribution Integrity Management Plan Review**

**Issues(s) Found:**

**2014-S001-00089 - [192.1007(a) (5)]** - The information to be collected when installing new pipelines and associated fittings does not include the following items: material type, manufacturer, lot number, material specification, material grade, wall thickness, joining method, installation method and other information that NSG determines is pertinent.

**Notice Of Amendment(s) Found:**

**2014-A001-00078 - [192.1007(b)]** - Staff reviewed Chapter 11.2 "List of Answers and Data Sources From SHRIMP

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Interviews." The review concluded that Subject Matter Experts were listed as the data source instead of the actual record used to populate the answer. The list of records used to populate the SHRIMP plan was generic. Specific records used to populate SHRIMP need to be listed for the various data sources. Once the data sources are determined, then the actual data must be entered to populate a new SHRIMP plan. Furthermore, workmanship defects were not considered a threat. Workmanship defects are always a potential threat, and must be included in the DIMP plan as a threat.

**2014-A001-00077 - [192.1007(c)]** - The risk ranking was not adequately validated. Higher risk threats were considered less of a threat. Excavation Damage threats were duplicated by using a slightly different threat name. For example, third party excavation damage was considered a threat, but excavation damage to main pipe or service pipe were also considered a threat. A review of the current process used to validate threats must be conducted to determine if the approach is adequate. If a threat is changed from the SHRIMP ranking, then an explanation detailing the threat change must be listed.

**Notice Of Violation(s) Found:**

**[NO NOPVS FOUND]**

**PAST INSPECTION FINDINGS**

**Issue(s) Corrected:**

**[NO ISSUES CORRECTED]**

**Notice Of Amendment(s) Corrected:**

**[NO NOAS CORRECTED]**

**Notice of Violations(s) Corrected:**

**[NO NOPVS CORRECTED]**